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2 UNITED STATES DISTRICT COURT
3 CENTRAL DISTRICT OF CALIFORNIA
4 SOUTHERN DIVISION

5 IN RE: EXTRADITION OF)
6 DOUGLAS WAYNE SCHNEIDER) CASE NO. SA CV 14-592-RT (AN)
7)
8) SANTA ANA, CALIFORNIA
9) APRIL 23, 2014
10) (10:02 A.M. TO 10:13 A.M.)

11 EXTRADITION HEARING
12 BEFORE THE HONORABLE ARTHUR NAKAZATO
13 UNITED STATES MAGISTRATE JUDGE
14

15 APPEARANCES: SEE NEXT PAGE
16 COURT REPORTER: RECORDED; COURT SMART
17 COURTROOM DEPUTY: DENISE VO
18
19 TRANSCRIBER: DOROTHY BABYKIN
20 COURTHOUSE SERVICES
21 1218 VALEBROOK PLACE
22 GLENDORA, CALIFORNIA 91740
23 (626) 963-0566
24

25 PROCEEDINGS RECORDED BY ELECTRONIC SOUND RECORDING;
TRANSCRIPT PRODUCED BY TRANSCRIPTION SERVICE.

1 APPEARANCES: (CONTINUED)

2 FOR THE COMPLAINANT: ANDRÉ BIROTTE, JR.
3 UNITED STATES ATTORNEY
4 DENNISE D. WILLETT
5 CHIEF, SANTA ANA BRANCH OFFICE
6 ASSISTANT UNITED STATES ATTORNEY
7 BY: JOSEPH M. ROBBINS
8 ASSISTANT UNITED STATES ATTORNEY
9 411 WEST FOURTH STREET
10 SANTA ANA, CALIFORNIA 92701

11 FOR THE RELATOR: SEAN K. KENNEDY
12 FEDERAL PUBLIC DEFENDER
13 BY: CUAUHEMOC ORTEGA
14 DEPUTY FEDERAL PUBLIC DEFENDER
15 411 WEST FOURTH STREET
16 SANTA ANA, CALIFORNIA 92701
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I N D E X
CASE NO. SA CV 14-592-RT (AN) APRIL 23, 2014
PROCEEDINGS: EXTRADITION HEARING

1 SANTA ANA, CALIFORNIA; WEDNESDAY, APRIL 23, 2014; 10:02 A.M.

2 THE CLERK: ALL RISE.

3 THIS COURT IS NOW IN SESSION. THE HONORABLE ARTHUR
4 NAKAZATO, UNITED STATES MAGISTRATE JUDGE, PRESIDING.

5 THE COURT: GOOD MORNING. PLEASE BE SEATED.

6 ALL RIGHT. WILL COUNSEL STATE THEIR APPEARANCES.

7 OH, YES, GO AHEAD. CALL THE CASE.

8 THE CLERK: CALLING CASE SA CV 14-592-RT(AN), IN
9 THE MATTER OF THE EXTRADITION OF DOUGLAS WAYNE SCHNEIDER.

10 PLEASE -- COUNSEL, PLEASE STATE YOUR APPEARANCES.

11 MR. ROBBINS: GOOD MORNING, YOUR HONOR.

12 JOSHUA ROBBINS FOR THE UNITED STATES.

13 THE COURT: ALL RIGHT. GOOD MORNING, MR. ROBBINS.

14 MR. ORTEGA: GOOD MORNING, YOUR HONOR.

15 CUAUHTEMOC ORTEGA FOR MR. SCHNEIDER, WHO'S PRESENT
16 IN CUSTODY.

17 THE COURT: ALL RIGHT. GOOD MORNING, MR. ORTEGA.

18 ALL RIGHT, SIR. WOULD YOU STATE YOUR FULL LEGAL
19 NAME FOR THE RECORD.

20 THE DEFENDANT: DOUGLAS WAYNE SCHNEIDER.

21 THE COURT: OKAY. SO, WE'RE HERE FOR AN
22 EXTRADITION HEARING THAT'S BEEN MADE PURSUANT TO THE
23 GOVERNMENT OF CANADA'S REQUEST TO EXTRADITE YOU TO CANADA.

24 AND BEFORE I DO SO, I NEED TO BASICALLY -- BEFORE I
25 ORDER YOUR EXTRADITION, I NEED TO CERTIFY CERTAIN FACTS AND

1 MAKE SURE THAT YOU UNDERSTAND THEM TO BE TRUE AND, ALSO, TO
2 MAKE SURE THAT YOU'RE CONSENTING TO YOUR EXTRADITION.

3 IN CONNECTION WITH YOUR EXTRADITION, THE GOVERNMENT
4 HAS LODGED ITS FORMAL REQUEST AND VARIOUS PAPERS.

5 AND I WANT TO KNOW WHETHER OR NOT YOU'VE HAD AN
6 OPPORTUNITY TO REVIEW THE EXTRADITION PAPERS WITH YOUR VERY
7 ABLE COUNSEL MR. ORTEGA.

8 THE DEFENDANT: YES, SIR, I HAVE.

9 THE COURT: OKAY.

10 AND I NOTICE THAT AS PART OF THE GOVERNMENT'S
11 REQUEST TO EXTRADITE YOU THAT THEY HAVE SUBMITTED AN
12 AFFIDAVIT OF CONSENT TO EXTRADITION THAT IS EXHIBIT 3.

13 AND IF YOU WILL TAKE A LOOK AT THAT DOCUMENT, SIR.

14 DO YOU HAVE IT BEFORE YOU?

15 THE DEFENDANT: YES, I DO.

16 THE COURT: OKAY.

17 AND ON PAGE 3, IS THAT YOUR SIGNATURE?

18 THE DEFENDANT: YES, SIR.

19 THE COURT: ALL RIGHT.

20 AND DID YOU SIGN THE DOCUMENT AFTER YOU HAD A
21 CHANCE TO REVIEW AND DISCUSS IT WITH MR. ORTEGA?

22 THE DEFENDANT: YES, SIR.

23 THE COURT: AND DID MR. ORTEGA AND YOU DISCUSS EACH
24 AND EVERY ONE OF THE ITEMS THAT ARE MENTIONED IN THE -- IN
25 YOUR AFFIDAVIT?

1 THE DEFENDANT: YES, SIR.

2 THE COURT: OKAY.

3 AND ARE YOU, IN FACT, CONSENTING THAT THERE IS
4 PROBABLE CAUSE TO SUPPORT THE EXTRADITION OF YOU TO CANADA?

5 THE DEFENDANT: YES.

6 THE COURT: AND DO YOU DO SO VOLUNTARILY AND
7 KNOWINGLY? AND DO YOU FEEL YOU HAVE DONE SO INTELLIGENTLY?

8 THE DEFENDANT: YES, SIR.

9 THE COURT: OKAY.

10 AND, MR. ORTEGA, IS THERE ANY REASON FOR THE COURT
11 NOT TO FIND THAT YOUR CLIENT HAS CONSENTED TO HIS EXTRADITION
12 AND THE FACTS THAT ARE REQUIRED TO CERTIFY HIS EXTRADITION?

13 MR. ORTEGA: NO, YOUR HONOR.

14 THE COURT: OKAY. AND DO YOU FEEL THAT HE
15 UNDERSTANDS AND HAS MADE A KNOWING AND VOLUNTARY WAIVER?

16 MR. ORTEGA: YES, YOUR HONOR.

17 THE COURT: AND CONSENT TO THOSE FACTS?

18 MR. ORTEGA: YES.

19 THE COURT: VERY WELL.

20 MR. ROBBINS, DO YOU KNOW OF ANY REASON WHY I
21 SHOULDN'T FIND THAT THE -- WELL, MR. SCHNEIDER HAS NOT
22 KNOWINGLY AND VOLUNTARILY CONSENTED TO THE FACTS IN SUPPORT
23 OF HIS EXTRADITION TO CANADA?

24 MR. ROBBINS: I DO NOT.

25 THE COURT: OKAY.

1 I MAKE THE FOLLOWING FINDINGS AND ORDER WHICH ARE
2 GOING TO BE PART OF THE CERTIFICATE OF EXTRADITABILITY AND
3 ORDER OF COMMITMENT, WHICH THE GOVERNMENT HAS PREPARED.

4 AND BEFORE I DO SO, LET ME ASK MR. ORTEGA, HAVE YOU
5 HAD A CHANCE TO REVIEW THE PROPOSED CERTIFICATE OF
6 EXTRADITABILITY AND ORDER OF COMMITMENT?

7 MR. ORTEGA: YES.

8 THE COURT: OKAY.

9 AND HAVE YOU REVIEWED IT WITH MR. SCHNEIDER?

10 MR. ORTEGA: YES.

11 THE COURT: OKAY.

12 AND, MR. SCHNEIDER, HAVE YOU REVIEWED THE PROPOSED
13 ORDER THAT I'VE JUST REFERRED TO WITH MR. ORTEGA?

14 THE DEFENDANT: YES, SIR.

15 THE COURT: OKAY.

16 AND IS THERE ANYTHING IN THAT ORDER THAT YOU FIND
17 OBJECTIONABLE?

18 THE DEFENDANT: NO, SIR.

19 THE COURT: VERY WELL.

20 THE COURT HAS RECEIVED THE COMPLAINT FOR ARREST
21 WITH A VIEW TOWARD EXTRADITION FILED ON FEBRUARY 26TH, 2014
22 BY THE UNITED STATES ATTORNEY'S OFFICE, FOR THE CENTRAL
23 DISTRICT OF CALIFORNIA, FOR AND ON BEHALF OF THE GOVERNMENT
24 OF CANADA, PURSUANT TO CANADA'S REQUEST FOR THE PROVISIONAL
25 ARREST AND EXTRADITION OF THE FUGITIVE DOUGLAS WAYNE

1 SCHNEIDER.

2 THE COURT HAS ALSO RECEIVED AN AFFIDAVIT OF CONSENT
3 TO EXTRADITION EXECUTED BY SCHNEIDER AND WITNESSED BY HIS
4 ATTORNEY IN THESE PROCEEDINGS, CUAUHEMOC ORTEGA.

5 ON THIS DATE MR. SCHNEIDER APPEARED BEFORE THE
6 COURT IN OPEN SESSION ACCOMPANIED BY HIS ATTORNEY.

7 THE COURT ADDRESSED MR. SCHNEIDER AND IS SATISFIED
8 THAT HE IS AWARE OF HIS RIGHTS AS SET FORTH IN THE AFFIDAVIT,
9 AND THAT THE AFFIDAVIT WAS EXECUTED KNOWINGLY AND
10 VOLUNTARILY.

11 IN AS MUCH AS MR. SCHNEIDER HAS CONSENTED --
12 CONCEDED AND CONSENTED THAT HE IS EXTRADITABLE ON THE CHARGES
13 FOR WHICH EXTRADITION WAS REQUESTED, AND HAS CONSENTED TO A
14 CERTIFICATION BY THIS COURT TO THAT EFFECT, AND HAS FURTHER
15 CONSENTED TO REMAIN IN THE CUSTODY OF THE UNITED STATES
16 MARSHAL PENDING THE ARRIVAL OF AGENTS FROM THE REQUESTING
17 STATE TO TRANSFER HIM TO THE REQUESTING STATE,
18 THE COURT FINDS ON THE BASIS OF THE RECORD HEREIN AND THE
19 REPRESENTATIONS OF MR. SCHNEIDER AND MR. ORTEGA THAT I HAVE
20 -- I AM AUTHORIZED UNDER TITLE 18, UNITED STATES CODE,
21 SECTION 3184 TO CONDUCT THIS EXTRADITION HEARING.

22 THAT I HAVE PERSONAL JURISDICTION OVER
23 MR. SCHNEIDER AND THE SUBJECT MATTER JURISDICTION OVER THE
24 CASE.

25 THERE IS CURRENTLY IN FORCE AN EXTRADITION TREATY

1 BETWEEN THE GOVERNMENT AND THE UNITED STATES OF AMERICA AND
2 THE GOVERNMENT OF CANADA, WHICH IS IDENTIFIED IN THE
3 EXTRADITION ORDER, WHICH WAS AMENDED IN PART BY THE PROTOCOL
4 AMENDING THE EXTRADITION TREATY WITH CANADA OF JANUARY 11,
5 1988, WHICH ENTERED INTO FORCE ON NOVEMBER 26, 1991, WHICH IS
6 REFERRED TO AS THE 1988 PROTOCOL; AND BY THE SECOND PROTOCOL
7 AMENDING THE EXTRADITION TREATY WITH CANADA OF JANUARY 12,
8 2001, THAT WAS ENTERED INTO FORCE ON APRIL 30TH, 2003,
9 REFERRED TO AS THE 2001 PROTOCOL.

10 I ALSO FIND THAT MR. SCHNEIDER HAS BEEN CHARGED
11 WITH A FELONY COMPLAINT IN ALBERTA, CANADA WITH THE FOLLOWING
12 CHARGES:

13 TRADING IN UNREGISTERED SECURITIES, IN VIOLATION OF
14 SECTION 75(1)(A)(II) AND 194 OF THE SECURITIES ACT OF CANADA,
15 WHICH IS REFERRED TO IN THE ORDER MORE SPECIFICALLY;
16 DISTRIBUTING SECURITIES WITHOUT FILING AND RECEIVING A
17 RECEIPT FOR A PRELIMINARY PROSPECTUS AND PROSPECTUS FROM THE
18 EXECUTIVE DIRECTOR OF THE ASC, IN VIOLATION OF SECTIONS 110
19 AND 194 OF THE SECURITIES ACT; MAKING A STATEMENT THAT WAS
20 MISLEADING OR UNTRUE, OR FAILING TO STATE A FACT NECESSARY TO
21 MAKE A STATEMENT NOT MISLEADING, REGARDING THE USE OF
22 INVESTOR FUNDS, IN VIOLATIONS OF SECTIONS 92(4.1) AND 194;
23 AND SECURITIES FRAUD, IN VIOLATION OF SECTIONS 93 AND 194 OF
24 THE SECURITIES ACT.

25 THE CHARGED OFFENSES ARE EXTRADITABLE OFFENSES

1 UNDER ARTICLE 2 OF THE EXTRADITION TREATY AS REPLACED BY
2 ARTICLE 1 OF THE 1988 PROTOCOL, WHICH PROVIDES THAT THE
3 EXTRADITION SHALL BE GRANTED FOR CONDUCT THAT CONSTITUTES AN
4 OFFENSE PUNISHABLE BY THE LAWS OF BOTH CANADA AND THE UNITED
5 STATES BY IMPRISONMENT OR OTHER FORM OF DETENTION FOR A TERM
6 EXCEEDING ONE YEAR OR ANY GREATER PUNISHMENT.

7 I FURTHER FIND THAT THE REQUESTING STATE SEEKS THE
8 EXTRADITION OF MR. SCHNEIDER SO THAT HE MAY BE HELD TO ANSWER
9 TO THE CHARGES.

10 I FIND THAT MR. SCHNEIDER HAS STIPULATED TO THE --
11 THAT THERE IS PROBABLE CAUSE TO BELIEVE THAT HE COMMITTED THE
12 OFFENSES FOR WHICH EXTRADITION IS SOUGHT.

13 AND BASED ON THE FINDINGS, THE COURT CONCLUDES THAT
14 MR. SCHNEIDER IS EXTRADITABLE FOR THE OFFENSE FOR WHICH
15 EXTRADITION HAS BEEN REQUESTED.

16 AND I CERTIFY THESE FINDINGS TO THE SECRETARY OF
17 STATE AS REQUIRED UNDER 18 USC, SECTION 3184.

18 I HEREBY ORDER THAT THE CLERK OF THE COURT TO
19 DELIVER TO THE UNITED STATES ATTORNEY A CERTIFIED COPY OF
20 THIS CERTIFICATION OF EXTRADITABILITY AND THE EXECUTED
21 AFFIDAVIT OF CONSENT TO EXTRADITION;

22 AND FURTHER, THAT THE CLERK SHALL FORWARD FOR THE
23 APPROPRIATE DISPOSITION CERTIFIED COPIES OF THE SAME PAPERS
24 TO THE PERSONS IDENTIFIED IN MY ORDER, WHICH I AM GOING TO
25 ISSUE AND SIGN AT THE CONCLUSION OF THIS HEARING.

1 I FURTHER ORDER THAT MR. SCHNEIDER SHALL BE
2 COMMITTED TO THE CUSTODY OF THE UNITED STATES MARSHAL PENDING
3 FINAL DISPOSITION OF THE MATTER BY THE SECRETARY OF STATE AND
4 ARRIVAL OF AGENTS OF THE REQUESTING STATE, AT WHICH TIME
5 MR. SCHNEIDER, TOGETHER WITH ANY EVIDENCE SEIZED INCIDENTAL
6 TO HIS ARREST, WILL BE TRANSFERRED TO THE CUSTODY OF THE
7 AGENTS OF THE REQUESTING STATE, AT SUCH TIME AND PLACE AS
8 MUTUALLY AGREED UPON BY THE UNITED STATES MARSHAL AND THE
9 DULY AUTHORIZED REPRESENTATIVES OF CANADA TO BE TRANSPORTED
10 TO THAT COUNTRY.

11 ANYTHING FURTHER?

12 MR. ROBBINS: NO, YOUR HONOR.

13 MR. ORTEGA: NO, YOUR HONOR.

14 THE COURT: ALL RIGHT. THANK YOU.

15 AND THE COURT APPRECIATES THE WORK BOTH OF YOU DID
16 ON THIS MATTER.

17 THANK YOU.

18 MR. ORTEGA: THANK YOU, YOUR HONOR.

19 THE CLERK: ALL RISE.

20 (PROCEEDINGS CONCLUDED 10:13 A.M.)
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C E R T I F I C A T E

I CERTIFY THAT THE FOREGOING IS A CORRECT
TRANSCRIPT FROM THE ELECTRONIC SOUND RECORDING OF THE
PROCEEDINGS IN THE ABOVE-ENTITLED MATTER.

/S/ DOROTHY BABYKIN

5/1/14

FEDERALLY CERTIFIED TRANSCRIBER

DATED

DOROTHY BABYKIN

